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Letter dated 19 August 2008 from the Chairman of the Security Council Committee established pursuant to resolution 1533 (2004) concerning the Democratic Republic of the Congo addressed to the President of the Security Council

On behalf of the Security Council Committee established pursuant to resolution 1533 (2004) concerning the Democratic Republic of the Congo, and in accordance with paragraph 18 (d) of Security Council resolution 1807 (2008), I have the honour to submit herewith the interim report of the Group of Experts on the Democratic Republic of the Congo (see annex).

I would appreciate if the present letter, together with its enclosure, were brought to the attention of the members of the Security Council.

The Committee has considered the request of the Group of Experts, as contained in its letter dated 28 July 2008 conveying the report to the Committee (see annex), that the report be kept confidential in light of the sensitive nature of some of the information contained therein and of the ongoing status of some of the Group's inquiries.

In this regard, I would be grateful if, on an exceptional basis, the report of the Group of Experts is not issued as a document of the Security Council until the publication of the final report of the Group of Experts pursuant to paragraph 18 (d) of resolution 1807 (2008).

(*Signed*) R. M. Marty M. **Natalegawa**
Chairman

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Annex

Letter dated 28 July 2008 from the Group of Experts on the Democratic Republic of the Congo addressed to the Chairman of the Security Council Committee established pursuant to resolution 1533 (2004)

The members of the Group of Experts established pursuant to Security Council resolution 1807 (2008) on the Democratic Republic of the Congo have the honour to transmit herewith the report of the Group, in accordance with paragraph 18 (d) of the resolution.

The Group of Experts respectfully requests that the present report be kept confidential in light of the sensitive nature of some of the information contained therein and the ongoing status of some of its inquiries.

(*Signed*) Mouctar Kokouma **Diallo**
Acting Coordinator

(*Signed*) Dinesh **Mahtani**

(*Signed*) Jason **Stearns**

Report of the Group of Experts on the Democratic Republic of the Congo

I. Introduction

1. By its resolution 1493 (2003), the Security Council imposed an arms embargo on all foreign and Congolese armed groups and militias operating in the territory of North and South Kivu and Ituri, and on groups not party to the Global and All-Inclusive Agreement on the Transition in the Democratic Republic of the Congo. By its resolution 1533 (2004), the Council established a Sanctions Committee and a Group of Experts, to be composed of no more than four members, to monitor the implementation of the arms embargo. The Council further extended the embargo to any recipient on the territory of the Democratic Republic of the Congo, with exemptions including the Congolese army and police, by its resolution 1596 (2005).

2. In addition, by its resolution 1596 (2005), the Security Council also established travel restrictions and imposed a freeze on the assets of individuals and entities violating the arms embargo, as designated by the Sanctions Committee, and re-established the Group of Experts, with the addition of a fifth expert for financial issues. Following the establishment of the consolidated assets freeze and travel ban list by the Sanctions Committee on 1 November 2005, the Council, by its resolution 1649 (2005), extended the applicability of the travel and financial restrictions to political and military leaders of foreign armed groups operating in the Democratic Republic of the Congo and to Congolese militias receiving support from abroad who impede the participation of their combatants in disarmament, demobilization and reintegration processes.

3. In 2006, by its resolution 1698 (2006), the Security Council renewed the arms embargo and the travel and financial measures until 31 July 2007, further broadening their applicability to political and military leaders recruiting or using children in armed conflict and to individuals committing serious violations of international law involving the targeting of children in situations of armed conflict. The arms embargo and targeted sanctions were further renewed until 31 March 2008 by Council resolutions 1771 (2007) and 1799 (2008).

4. Under the current sanctions regime established by its resolution 1807 (2008), the Security Council limited the applicability of the arms embargo to all non-governmental entities and individuals operating in the territory of the Democratic Republic of the Congo and extended the mandate of the Group of Experts until 31 December 2008. The Council also clarified that the measures on arms and technical training no longer apply to the Government of the Democratic Republic of the Congo. The Council terminated the requirement, originally established by its resolution 1596 (2005), that authorized shipments of arms and related materiel should only be made to sites designated by the Government in consultation with the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC). At the same time, in paragraph 5 of that resolution, the Council reiterated the obligation of supplier States to notify the Sanctions Committee of all shipments of arms and related materiel to the Democratic Republic of the Congo and of any provision of assistance, advice or training related to military activities in the Democratic Republic of the Congo. The Council also requested that the Committee inform MONUC and the Government of

the Democratic Republic of the Congo of each notification received from supplier States and consult with the Congolese Government to verify that shipments of military material are in conformity with the measures set out in the resolution. By paragraphs 6, 7 and 8 of the resolution, the Council renewed the measures on civil aviation and customs first established under its resolution 1596 (2005), and by paragraphs 9 and 11 of the same resolution it extended the travel ban and the assets freeze on individuals and entities designated by the Sanctions Committee until 31 December 2008.

5. By subparagraph 13 (e) of its resolution 1807 (2008), the Security Council decided that the assets freeze and travel ban would also apply to individuals, as designated by the Committee, operating in the Democratic Republic of the Congo and committing serious violations of international law involving the targeting of women in situations of armed conflict, including killing and maiming, sexual violence, abduction and forced displacement.

6. The mandate of the Group of Experts, as set out in resolution 1807 (2008), is the following:

(a) To examine and analyse information gathered by MONUC in the context of its monitoring mandate and share with MONUC, as appropriate, information that might be of use in the fulfilment of the Mission's monitoring mandate;

(b) To gather and analyse all relevant information in the Democratic Republic of the Congo, countries of the region and, as necessary, in other countries, in cooperation with the Governments of those countries, on flows of arms and related materiel, as well as networks operating in violation of the measures imposed by paragraph 1 of resolution 1807 (2008) (the arms embargo);

(c) To consider and recommend, where appropriate, ways of improving the capabilities of interested States, in particular those of the region, to ensure the measures imposed by paragraph 1 of resolution 1807 (2008) are effectively implemented;

(d) To update the Committee on its work, as appropriate, and to report to the Council in writing, through the Committee, by 15 August 2008 and again before 15 November 2008, on the implementation of the measures set forth in paragraphs 1, 6, 8, 9 and 11 of resolution 1807 (2008), with recommendations in this regard, including information on the sources of financing, such as from natural resources, which are funding the illicit trade of arms;

(e) To keep the Committee frequently updated on its activities;

(f) To provide the Committee in its reports with a list, with supporting evidence, of those found to have violated the measures imposed under paragraph 1 of resolution 1807 (2008) and those found to have supported them in such activities for possible future measures by the Council;

(g) Within its capabilities and without prejudice to the execution of the other tasks in its mandate, to assist the Committee in the designation of the individuals referred to in subparagraphs (b) to (e) of paragraph 13 of the resolution, by making known to the Committee without delay any useful information.

In addition, the Security Council requested MONUC, within its existing capabilities and without prejudice to the performance of its current mandate, and the Group of

Experts to continue to focus its monitoring activities in North and South Kivu and in Ituri. The Council also requested the Government of the Democratic Republic of the Congo, MONUC and the Group of Experts to cooperate intensively, including by exchanging information regarding arms shipments, illegal exploitation of natural resources and regarding the activities of individuals and entities pursuant to paragraph 13 of resolution 1807 (2008).

7. In a letter addressed to the President of the Security Council dated 9 May 2008 (S/2008/312), the Secretary-General appointed the members of the Group of Experts as follows: Damien Callamand (France, arms expert and Coordinator), Mouctar Kokouma Diallo (Guinea, customs expert), Dinesh Mahtani (United Kingdom of Great Britain and Northern Ireland, finance expert), Jason Stearns (United States of America, regional expert) and Jean-François Viens (Canada, aviation expert). Two members of the Group were unable to continue their functions, and Kokouma Diallo was designated acting coordinator. The Group was assisted in its mandate by two consultants, Sergio Finardi and Brian Johnson-Thomas, and by Francesca Jannotti Pecci of the Department of Political Affairs of the Secretariat.

8. The Group of Experts wishes to express its thanks, in particular, to the Special Representative of the Secretary-General and the staff of MONUC for their support and continued collaboration. The Group also wishes to acknowledge, with appreciation, the cooperation of the national authorities of the Democratic Republic of the Congo and Rwanda during the Group's missions to those countries.

II. Methodology

9. The Group of Experts began its work on 18 May 2008 in New York, where it held consultations with United Nations officials and diplomatic missions before traveling to London, Paris and Brussels to meet with Government officials and non-governmental organizations (NGOs). The Group arrived in Kinshasa on 7 June 2008 to begin six weeks of field work in the region. As was the case with its previous mandate, and pursuant to paragraph 19 of Security Council resolution 1807 (2008), the Group adopted a case study approach, focusing on North and South Kivu and Ituri. The Group investigated arms embargo violations related to all armed groups in the region, in particular the Forces démocratiques de libération du Rwanda-Forces combattantes Abacunguzi (FDLR-FOCA) and the National Congress for the Defence of the People (CNDP), which pose the most serious threat to peace and security.

10. Given the peace process in the Kivus launched by the Actes d'engagement signed at Goma on 23 January 2008, the Group of Experts interpreted its mandate as a deterrent to those who would disrupt the peace process in the eastern part of the Democratic Republic of the Congo. The Group has taken particular interest in gathering information related to the 22 signatories to the agreement to prevent them from using this respite to rearm and prepare for further fighting.

11. Pursuant to paragraph 13 of Security Council resolution 1807 (2008), the Group also investigated individuals who had committed violations of international humanitarian law by targeting women and children, impeding the disarmament process and recruiting child soldiers. The Group has worked in close collaboration with MONUC, relevant United Nations agencies and local organizations on these matters.

12. As requested by the Security Council in paragraph 5 of its resolution 1807 (2008), the Group has investigated arms shipments to the Democratic Republic of the Congo that have not been reported to the Sanctions Committee by exporting countries.

13. The Group also monitored the implementation by Member States of targeted travel and financial measures imposed against individuals and entities listed by the Sanctions Committee.[1]

14. Pursuant to subparagraph 18 (d) of Security Council resolution 1807 (2008), the Group examined the link between natural resources and the financing of illegal armed groups.

15. The Group used evidentiary standards recommended by the report of the Informal Working Group of the Security Council on General Issues of Sanctions (S/2006/997), relying on authentic documents and, wherever possible, first-hand, on-site observations by the experts themselves. When this was not possible, the Group corroborated information using at least three independent and reliable sources.

16. The Group met with a number of different interlocutors during its fieldwork, including the civilian and military authorities of the Democratic Republic of the Congo and other regional States, MONUC staff, national and international civil aviation authorities, traders, representatives of business entities, air and land transport companies and NGOs as well as former and current militia members. A list of meetings and consultations held by the Group is contained in the annex to the present report.

17. Given the nature of conflict in the Democratic Republic of the Congo, most of the illegal arms trafficking is believed to be carried out in relatively limited quantities on foot or in small vehicles. In the majority of cases, rather than buying directly on international arms markets, armed groups obtain supplies from other armies in the region, in particular from the Armed Forces of the Democratic Republic of the Congo (FARDC). For this reason the Group was able to obtain very little documentation from military, customs or aviation authorities regarding military equipment purchased by illegal armed groups. The Group has therefore relied on first-hand testimony from civilian and military authorities as a basis for much of its investigations on arms transfers.

18. The Group has also met with representatives of the Governments of Belgium, China, France, Germany, Rwanda, South Africa, the United Kingdom of Great Britain and Northern Ireland and the United States of America. A list of entities and organizations contacted by the Group is contained in the annex.

III. Political and military context

19. The security situation in the eastern part of the Democratic Republic of the Congo remains precarious. On 23 January 2008, 22 armed groups signed an agreement in Goma, the Actes d'engagement, committing themselves to a ceasefire, the disengagement of their troops and to discussing their integration into the national army. These discussions, called the Amani programme, are supposed to take

[1] www.un.org/sc/committees/1533/pdf/1533_list.pdf.

place in military and humanitarian subcommissions, but progress has been slow and marked by the withdrawal of the National Congress for the Defence of the People (CNDP) and the Forces républicaines fédéralistes (FRF) from the talks for extended periods.

20. Despite the peace agreement, violence has continued, especially in North Kivu province. According to United Nations agencies, between December 2007 and May 2008, fighting between FARDC, CNDP and other militias displaced 118,000 people, resulting in a total of 562,000 displaced in the territories of Lubero, Rutshuru and Masisi. Human rights and humanitarian officials have documented cases of large massacres of civilians, notably in Kalonge in February 2008 and in the Bukombo-Birambizo area between January and June 2008. In addition, over 200 ceasefire violations in North Kivu alone have been reported to MONUC since the signing of the Actes d'engagement.

21. Paradoxically, the peace agreement also led to the creation of numerous new armed groups who allegedly hope to benefit from the negotiations to obtain money, posts in the national army and political positions. Of the 22 signatories, only the FRF, CNDP and the Coalition of Congolese Patriotic Resistance (PARECO) had a significant following before the peace talks. The Group received numerous reports of increased recruitment, including the recruitment of child soldiers, since January 2008 throughout the Kivus, allegedly using funds received from the Amani programme for sensitization purposes.

22. At the same time, a joint initiative by the Governments of Rwanda and the Democratic Republic of the Congo to deal with the disarmament and repatriation of Rwandan armed groups has continued, in accordance with the terms set out in the agreement signed in Nairobi on 9 November 2007 (S/2007/679). As part of that process, the Government of the Democratic Republic of the Congo and the Rally for Unity and Democracy (RUD-Urunana), a small splinter group of FDLR, signed a "road map" agreement in Kisangani on 28 May 2008. In view of the disarmament process, the rebels agreed to canton their troops.

23. Despite the Nairobi agreement, however, little headway has been made against the main body of FDLR soldiers, who continue to refuse to demobilize. Sensitization of foreign troops is supposed to continue until the end of August, following which military operations against FDLR may begin.

24. The Group's efforts have been concentrated on countering the possibility of a military escalation and a collapse of the peace process. While the Group has not detected large flows of weapons into the region, recruitment and financing for illegal armed groups have continued apace. Numerous signatories to the Actes d'engagement have expressed doubts to the Group regarding the peace process and their fears about a possible return to full-fledged conflict. The main points of contention lie between CNDP and the Government, with the former insisting on broadening the negotiations to address the return of refugees from Rwanda and Burundi, the demobilization of FDLR and reconciliation in the Kivus, while the Government has preferred a more military approach aimed at integrating CNDP into the army.

IV. Case study I: National Congress for the Defence of the People

25. As documented under the Group's previous mandate, CNDP has between 4,000 to 7,000 troops deployed, mostly in Masisi and Rutshuru territories in North Kivu, with headquarters in Kilolirwe, where General Laurent Nkunda resides, and in Mushaki, from where the Chief of Staff, General Bosco Taganda, commands military operations. The Congress has reorganized its troops into three sectors: Rutshuru, led by Colonel Sultani Makenga; Masisi North, led by Colonel Claude Mucho; and Masisi South, led by Colonel Munyakazi. Each sector is divided into two to three operational axes. There are at least two training camps, in Chanzo (on the Ugandan border near Bunagana) and close to Kilolirwe in Masisi territory.

A. Military support and recruitment

26. The Congress has received most of its weapons and ammunition from FARDC. From January to September 2007, through an exercise during which CNDP and FARDC brigades were temporarily integrated, CNDP received weapons, uniforms, salaries and ammunition from the 8th FARDC military region in Goma.

27. According to FARDC and CNDP officers and local administrative officials, the Congress, after capturing a stock of between 15 and 20 tons of weapons and ammunition from the FARDC 15th brigade in Kikuku in December 2007, defeated several brigades of FARDC troops in Mushaki, capturing stocks of FARDC weapons and ammunition from the 14th and 81st brigades. The Group is investigating allegations that the capture of these stocks took place with the complicity of FARDC brigade officers.

28. The Group is continuing to investigate the degree of support CNDP is receiving from the Government of Rwanda. The Congress continues to recruit in Rwanda, although mostly from the Rwandan civilian population and demobilized combatants of the Rwandan Defence Forces (RDF), and to a reduced extent from the Congolese refugee camps in Byumba and Kibuye. Between January and June 2008, MONUC repatriated 72 Rwandans who had been with CNDP, including nine child soldiers. The Group interviewed several of these combatants, most of whom indicated they were lured into joining CNDP with promises of jobs or money. Others testified that they were recruited by force. Their testimonies indicate a CNDP recruitment network being run in Rwanda, although it is unclear whether there is any involvement by the Government of Rwanda in their recruitment. However, several of these combatants, and Congolese deserters from CNDP indicated that there are RDF officers active within CNDP as trainers or advisers. It is not clear whether these officers are on duty or have been demobilized. These testimonies correspond to other interviews with deserters from CNDP carried out by NGOs.

29. According to interviews with a high-ranking CNDP deserter and a Congolese intelligence official, in December 2007 Colonel Jules Mutebutsi was sighted at Runyoni, on the border between the Democratic Republic of the Congo and Rwanda, close to the CNDP training camp at Chanzo run by Colonel Makenga, with dozens of Congolese soldiers who had been in Mutebutsi's camp in Gikongoro, Rwanda. According to the CNDP deserter, who was an eyewitness, the Congolese soldiers were armed and transported in RDF trucks. Colonel Mutebutsi was arrested

around the same time by the Government of Rwanda for trying to cross the border. The Group is continuing its investigation of this matter.

30. The Group travelled to the border region between Rwanda, Uganda and the Democratic Republic of the Congo. According to local churches and NGOs, many recruits allegedly cross the border through the Runyoni area on the slopes of the Sabinyo volcano, from where they enter directly into the CNDP training camp at Chanzo. These crossings have been observed as recently as June 2008, but are reported to be less frequent than in 2007.

31. The Group discussed these allegations with the Government of Rwanda, which denied supporting CNDP but explained that it was possible that the rebels were recruiting clandestinely on Rwandan territory.

32. The Congress has also begun to receive significant numbers of recruits from Burundi, where a recruitment network has allegedly been established to support both FRF in South Kivu and CNDP. There have been reports from individuals living around the CNDP military camp in Chanzo that there are many Burundian soldiers in the markets and on the road. The soldiers were identified by the language they spoke (Kirundi has a clearly different accent and vocabulary from the local Kinyabwisha language, but the dialects are mutually intelligible). Four separate sources reported that they had had personal contact with such soldiers and identified them as Burundian. CNDP and FRF deserters interviewed by the Group have confirmed the presence of Burundian recruits, and one deserter even stated that the majority of soldiers in the Chanzo camp were Burundian. The Burundian intelligence service has confirmed the existence of this recruitment. The Group is investigating the individuals at the head of this network.

B. Financing

33. The Group of Experts has been investigating a number of methods employed by CNDP to raise finances and sustain the movement's activities in the territory under its control. These methods include private donations made through international wire transfers to banks accounts in the Great Lakes region, local cash donations and contributions in kind. The donations constitute a pool of financings that also includes funds raised through illegal taxation systems that CNDP imposes on the population living in its territory. The Group also has evidence that revenues from the Bunagana customs operation, which is controlled by CNDP, is an important source of its financial base. The Congress has also attempted to raise funds by asking for online donations through its website.

34. The Group has received documentation and verbal testimony in relation to a bank transfer made in January 2006 from an account that is controlled, according to the Group's sources, by one of the CNDP's top financiers outside of the Democratic Republic of the Congo. This money was transferred to a private bank account in the Great Lakes region, which, according to several sources with inside knowledge of the transfer, is controlled by a second individual who has close connections to CNDP and the former rebel group, the Congolese Rally for Democracy (RCD-Goma). Several transfers between these accounts have allegedly taken place since 2005, with the proceeds finally disbursed to an associate of General Laurent Nkunda Batware (Nkunda). The Group interviewed several sources close to CNDP and the authorities of the Democratic Republic of the Congo, who confirmed that

the owner of the above-mentioned bank account continues to provide assistance to CNDP and to the allied armed group FRF. The Group's investigations into this matter are continuing.

35. According to interviews with business leaders, administration officials, MONUC and CNDP deserters, CNDP is supported and financed by wealthy individuals based in Goma and Rwanda, including some owners of mineral-exporting companies based in the city of Goma and owners of large plots of land in areas controlled by CNDP in North Kivu. Some of these donations are made in return for exemptions on import duties, protection for cattle and other favours. The Group is aware that some contributions to CNDP may have been made under duress.

36. The Group has received information from a variety of sources, including international humanitarian and human rights workers who have worked extensively in CNDP-controlled areas, that CNDP imposes a variety of taxes on the local population, including a poll tax, a land tax, a security tax for merchandise that transits through its territory and taxes on internally displaced persons who need to leave humanitarian camps to work on their land. For example, according to several sources, CNDP charges commercial trucks $50 to $100 to travel on the Sake-Masisi axis. The Group intends to investigate further allegations that CNDP is using forced labour to work on large land holdings. According to MONUC, CNDP also controls the large Rupangu market on the edge of the Virunga National Park, where the rebels tax each 30 kilogram (kg) bag of charcoal the equivalent of $0.50. Around 30,000 kgs. of charcoal are produced daily at Rupangu.

37. The Group visited the Bunagana border crossing which is under the military control of CNDP. The rebels have placed their own representatives in the various customs and other tax bodies, sharing revenues with the Office des douanes et accises, the Direction générale de migration and the Office congolais de contrôle, which, in theory, fall under the control of the Government of the Democratic Republic of the Congo. The Group has obtained documents showing that CNDP has generated substantial funds at Bunagana through kickbacks, forced appropriation of Government revenues and tax exemptions for favoured traders. The Group continues to investigate the occupation of this border crossing by CNDP and has asked Government bodies and various Goma-based companies for trade statistics.

38. The Group has noticed that CNDP operates two websites, one of which, as mentioned above, solicits online donations for the rebel group. The Group is in the process of investigating which Internet servers and countries are hosting these websites.

V. Case Study II: Forces démocratiques de libération du Rwanda

39. According to deserters from FDLR, MONUC and regional interlocutors, FDLR controls between 6,000 to 7,000 troops in the North and South Kivu provinces. Major General Sylvestre Mudacumura, the overall commander of these troops, is based in Kalonge, Masisi territory, and is assisted by a political directorate based in Europe and in Kibua, Masisi territory. The troops are divided into a Northern Division, led by Colonel Pacifique Ntawunguka (alias Omega), and a Southern Division, led by Colonel Leopold Mujyambere (alias Achille). Each

division controls four battalions of approximately 500 to 700 soldiers. In addition, General Mudacumura has direct control over a reserve brigade consisting of three battalions based in North Kivu.

A. Military support and recruitment

40. FDLR continues to obtain weapons and ammunition from the Congolese army, FARDC. According to numerous sources, FDLR collaborated extensively with FARDC during the December 2007 clashes with CNDP in the Masisi and Rutshuru territories. According to several FDLR deserters interviewed by the Group, FDLR troops under the command of Lieutenant-Colonel Nsengiyumva Welars (aka Cyrus) and Colonel Ndinzi Mihigo fought alongside FARDC troops against CNDP around Sake, Mushaki and Rutshuru in December 2007. This information was corroborated by foreign military sources.

41. Seven FDLR deserters, interviewed separately in the Democratic Republic of the Congo and Rwanda, informed the Group that they purchased military supplies from FARDC on a regular basis. While most of these sales seem to have been individual deals between soldiers in exchange for money, in some cases FARDC officers reportedly donated large amounts of weapons or ammunition to FDLR. The Group is currently working to corroborate these allegations.

42. As in past reports, the Group considers that cohabitation of FARDC with FDLR greatly facilitates such interactions between the groups and constitutes support for FDLR. The Group witnessed such cohabitation first-hand in Kasugho, Lubero territory, and recorded many eyewitness reports of such behaviour in the villages of Nyabiondo, Masisi territory, Musenge, Walikale territory, Luofu, Lubero territory, along the Rutshuru-Ishasha road in Rutshuru territory, Numbi, in Kalehe territory, and Kilembwe in Fizi territory.

43. The Government of the Democratic Republic of the Congo is currently in the process of sensitizing members of FDLR in view of their repatriation, according to the terms of the Nairobi agreement. This makes cohabitation more ambiguous in terms of the Group's mandate. While the Group has deemed this behaviour to be in violation of the arms embargo in the past (see S/2005/30, para. 162), the Government has explained that such contact is necessary for the sensitization process. The Group continues to scrutinize the relations between FARDC and FDLR to establish whether the sensitization exercise is facilitating military or financial support to an illegal armed group.

44. Between January and June 2008, MONUC demobilized and repatriated 43 Rwandans from within the ranks of FARDC. The Group is investigating how these combatants joined FARDC.

45. The Government of the Democratic Republic of the Congo informed the Group that while there could be cases of individuals collaborating with FDLR, there was no systematic support for the Group.

B. Financing

46. The most important sources of revenue raised by FDLR stem from its involvement in the illegal exploitation of natural resources, sometimes with the

complicity of individuals within FARDC units and with the financial backing of *comptoirs* (buying houses) in Butembo, Goma and Bukavu. In particular, FDLR is directly involved in the trade of gold, cassiterite, coltan, wolframite and other minerals in North and South Kivu and in timber and cannabis in North Kivu. FDLR profits mostly by forcing small-scale miners to sell their production at low prices or in exchange for low-grade general merchandise. Because of the unreliability of official export statistics, and owing to the varying local dynamics at the different mining sites controlled by FDLR, it is not possible to accurately estimate the rebel group's profits. Nevertheless, based on the Group's research, it is conceivable that the mineral trade could provide FDLR with several hundred thousand United States dollars per month in revenues. The Group is aware of other forms of taxation, such as poll taxes and taxes on transportation of goods which will be investigated further, but for the purposes of the present interim report, the Group has focused on the lucrative trade in natural resources.

47. Two members of the Group visited Kasugho and Kirumba, two important trading sites for gold production in North Kivu's Lubero territory, reportedly one of the most important sources of gold for FDLR. The Group noted a heavy presence of armed FDLR combatants at Kasugho market, where members of the civilian population, local authorities and FARDC commanders confirmed that FDLR was in control of dozens of alluvial gold mining sites west of Kasugho located deep in the jungle. According to several reports, FDLR forces present in this area tightly police civilian gold diggers who are forced to sell their gold at below market prices in exchange for cheap merchandise, such as soap and beer. The involvement in the gold trade is part of a brutal regime imposed on the local population that includes rape, murder and pillage. Sources interviewed said that virtually all of the gold trade in the area is controlled by FDLR, which sells the gold directly to traders at Kasugho. One gold trader in the village stated that a single merchant could purchase gold worth several thousands of United States dollars from members of FDLR each week.

48. The Group, having obtained documentary evidence identifying gold traders based in Kasugho, met with them in Kasugho and informed them that trading gold from FDLR constituted a violation of the sanctions regime. Two traders named their buyers in Butembo and, separately, a senior member of the business community confirmed the name of one of main buyers in Butembo. Two Government agencies confirmed that this buyer was part of a cooperative of four gold merchants in Butembo who purchase gold in Kasugho.

49. The Group also met with gold traders in the Kirumba area who confirmed the Group's findings with regard to the trade in Kasugho and supplied it with the names of their main buyers, including the main buyer of Kasugho gold in Butembo, who is part of the above-mentioned cooperative. Local officials confirmed that gold in Kirumba is almost entirely controlled by FDLR and alleged that FDLR traders maintain profit margins of roughly $15 per gram of gold traded, roughly half the value of each gram.

50. Government officials in the region confirmed that the process of gold purchasing is normally prefinanced all the way from external buyers down to the *comptoirs* in Butembo, Goma and Bukavu and to traders on the ground who are buying FDLR-controlled gold. It is the intention of the Group to identify the buyers of the gold that is exported from these Butembo-based networks.

51. In a separate visit to the Numbi mining area in South Kivu, using similar methods of inquiry, the Group was able to identify a Goma gold trader buying from FDLR-controlled mines near Numbi. The Group also has received information on other FDLR gold-trafficking networks that lead to Butembo, Goma and Bukavu, and intends to follow up on these leads under its present mandate.

52. In Walikale the Group chose to focus on the Bisie mine and on the mining networks from Walikale town and the road towards Bukavu. The Group was able to confirm a limited presence of FDLR elements in Mubi and Njigala, the trading sites nearest to Bisie, the most significant mine in Walikale, which is controlled by the 85th FARDC brigade. Interlocutors within MONUC have reported that at least one FDLR contingent demobilized at Mubi in the last two months. Police securing the road from Njigala to Bisie, an FARDC officer and an official from an artisanal mining association at Bisie all alleged that FDLR traders have infiltrated the mine to buy gold. The Group received reports that FDLR operatives were also involved in the export of some of the Bisie gold that travels by road to Bukavu and Goma and that they also tax other mineral production as it transits by the same route. The Group is concerned by the link to Bisie mine, one of the largest in North Kivu, although at this stage it cannot confirm to what degree FDLR is involved in the mineral trade there.

53. The Group is also alarmed by the extent of FDLR control over the town of Musenge, on the road between Walikale and Bukavu on the edge of the Kahuzi-Biega National Park. The Group received the following information (see para. 54 below) from testimonies of civilians on the road to Musenge and FARDC and FDLR deserters, and the details were confirmed in an account given by MONUC staff who made a discreet visit to Musenge.

54. Armed FDLR and members of the 85th FARDC brigade patrol Musenge on market days, where minerals, notably cassiterite, are brought from mines both within and on the outskirts of the Kahuzi Biega National Park to be sold in the private homes of local traders. Employees from two *comptoirs* now known to the Group buy the minerals from the traders and arrange for their transport towards Hombo and on to Bukavu. The sale of the minerals at Musenge is supervised by FDLR elements, who are often physically present at the sale. Elements of the 85th brigade maintain good relations with FDLR in Musenge and tax the local market.

55. Two members of the Group were able to travel to Numbi and Nyabibwe in Kalahe territory in South Kivu, two areas rich in minerals that are exported to *comptoirs* in Goma and Bukavu. The Group was able to determine that some of the mines near Numbi are controlled by elements of FDLR and has seen official documentation showing the names of traders and *comptoirs* who buy minerals from Numbi.

56. The Group has also seen official documentation that names the *comptoirs* that have purchased cassiterite and other minerals from Mangurejipa in Lubero territory. According to some MONUC staff members, Mangurejipa is a trading site for minerals from FDLR-controlled territories.

57. Two members of the Group visited Luofu and surrounding forested areas in Lubero territory where they noted the felling of thousands of trees. The Group received information from local officials and businessmen that FDLR and other armed groups pay labourers to cut down the trees and market the wood to traders in

Goma. Elements of the 15th FARDC brigade, which the Group saw around Luofu, are apparently engaged in supervising this activity and in collecting taxes on the transportation of timber out of the area. They have also taken control of the charcoal trade that has arisen as a by-product of the timber felling. One truckload of wood (300 planks) can bring $1,500 on the open market in Goma. The Group is investigating FARDC commanders and the traders in Goma who profit from this trade.

58. The Group has also received information that elements of the 15th FARDC brigade are also directly involved in a trade in cannabis with FDLR, who cultivate large quantities of the substance around Miriki, in Lubero territory, and who sell it to the wives of FARDC officers or directly to the officers themselves. Several local administrative officials have personally observed this trade, which usually takes place on market day and involves hundreds of kilos of cannabis a month.

59. The Group is also investigating information on money transfers that are being sent by FDLR operatives in the Democratic Republic of the Congo to their families and political cadres abroad. These funds are most likely generated from illegal activities in the Democratic Republic of the Congo.

VI. Other armed groups

A. Coalition of Congolese Patriotic Resistance

60. PARECO is probably the third largest armed group in the eastern Congo after FDLR and CNDP. It was created on 15 March 2007 out of various ethnic-based militias and is led by General Sikuli Lafontaine, who is currently based in Muhanga, Lubero territory. More recently, other branches of PARECO have been formed in South Kivu under the command of General Rutambuka, and in North Kivu under the command of General Ndumviriye. The bulk of PARECO troops are from the Hutu community and are loyal to General Mugabo, who is based near Nyabiondo, Masisi territory. In early 2008, tensions began developing between the various PARECO factions, owing, in particular, to their respective representation in the Amani programme, which led to the suspension from the process of the group's Hutu faction. They later rejoined the process after changing their delegation.

61. According to MONUC, PARECO has approximately 1,500 to 2,000 troops, although estimates vary widely. In their operations, they have been able to push back CNDP and FARDC forces in several areas, particularly around Masisi. Many of their troops are CNDP deserters, indicating a widening rift between the Hutu and the Tutsi in North Kivu.

62. The Group is following leads regarding military support provided to PARECO by FARDC during operations against CNDP. The Group has observed PARECO cohabitating with FARDC in Numbi, Kalehe territory, and has received reliable reports of similar cohabitation in Nyabiondo, Masisi territory.

63. On 24 January 2008, a joint delegation composed of representatives of the Government of the Democratic Republic of the Congo and MONUC visited Mbwavinywa, where RUD-Uranana had assembled. PARECO leader General Lafontaine was also present. According to numerous eyewitnesses, representatives of the Government publicly handed both General Lafontaine and General Musare,

the RUD commander, $2,500 each (some sources said as much as $4,000 each) for logistical concerns related to the demobilization process. Generals Musare and Lafontaine indicated their willingness to hand over troops for, respectively, repatriation and army integration.

64. Since the January 2008 meeting, businessmen in Butembo have reportedly supplied General Lafontaine with food for his Muhanga camp on several occasions. In light of the above events, the Group recognizes the difficulty of reconciling its mandate to investigate the financing of illegal armed groups with the exigencies of the ongoing peace process.

65. According to ranchers and civil society sources, PARECO has stolen hundreds, perhaps thousands, of head of cattle over the past 15 months. The armed group often sells the cattle to FDLR or at local markets. With cattle prices between $400 to 800 per head, this activity may have provided PARECO with hundreds of thousands of dollars in funds.

66. According to MONUC and local administrative reports, PARECO is also involved in collecting taxes on the fishing trade around Kamandi on Lake Edward and in poaching in the Virunga National Park. Competition over the revenues from this taxation has led to repeated clashes between FARDC and PARECO. The Group was able to identify a number of mines from its field visit to Numbi and Nyabibwe in Kalehe territory in South Kivu that are controlled by PARECO in collaboration with elements of the FARDC 3rd, 8th and 16th integrated brigades. The Group has obtained detailed documentation providing information on which buying houses in Goma and Bukavu are purchasing minerals from Numbi.

B. Mai-Mai groups in the Beni and Lubero territories

67. The Group visited the "Grand Nord" area of North Kivu, comprised of the Beni and Lubero territories, to follow up on reports of recruiting and arms trafficking in that area. Four signatories to the *Actes d'engagement* — the Mai-Mai Vurondo, the Mai-Mai Ruwenzori, the Simba and the Mai-Mai Kasindien, operate solely in this area. According to numerous sources, including local administrative officials, MONUC and NGOs, none of the groups had a significant following before the signing of the *Actes d'engagement* and all have been recruiting since then to strengthen their leverage in the negotiations. Many of their troops are reportedly former ex-combatants, including child soldiers. The commander of one group, General Baraka of the Mai-Mai Vurondo, is seven years old according to his own troops and political cadres.

68. The Group of Experts is continuing its investigations into these groups to determine how they obtain military equipment and whether they are systematically recruiting child soldiers.

69. There has been increased activity by the Allied Democratic Forces/National Army for the Liberation of Uganda (ADF-NALU) in the area between Eringeti, Kamango and Mutwanga, close to the border with the Democratic Republic of the Congo district of Ituri and Uganda. According to an ADF leader interviewed by the Group, the ADF-NALU is involved in timber and gold trading in this area in collaboration with local officials and businessmen and it obtains weapons through

arms dealers in the region. The Group is trying to obtain further evidence regarding these allegations.

C. Other militias

70. The Group has received information from several sources regarding a small Mai-Mai militia called Forces Armées de la République Mai Mai du Congo, (FARMMC), which used to be based in Nyamilima, Rutshuru territory. The militia was composed of several dozen soldiers and led by Colonel Celio.

71. According to a provincial assembly investigation, the local administrator and two Mai-Mai deserters, this militia has received support from a provincial deputy of the Government, Valérien Kenda Kenda. According to the Mai-Mai deserters whom the Group interviewed in a MONUC camp, Mr. Kenda Kenda spoke frequently with Colonel Celio on the phone to coordinate military operations and supplies, and provided medicine for Celio's combatants.

72. Both the deserters and the provincial commission informed the Group of a weapons delivery in Buramba in February 2008, which was transported from Goma in a white minibus. According to the deserters, who transported the material to their camp in Kakoru with 40 other soldiers, the minibus was carrying the following equipment, which was new and wrapped in plastic: one rocket-propelled grenade, 26 AK-47 assault rifles and one heavy machine gun.

73. The militia was reportedly disbanded following an FARDC offensive against them in June 2008. The Group will continue to investigate the creation and support of this militia.

VII. Recruitment of children by armed groups

74. Despite the positive developments registered after the Kivus Peace Conference and the specific commitments undertaken by the groups signatories to the Actes d'engagement to stop recruitment and release child soldiers in their ranks, the recruitment of children by Congolese and foreign armed groups operating in the eastern part of the Democratic Republic of the Congo continued during the reporting period. In June and July 2008 alone, 62 cases of recruitment were reported by child protection actors to have taken place in North and South Kivu.

75. The Group received reports from April 2008 regarding the presence of 100 children in the ranks of the CNDP brigade deployed at Mweso and Kitchanga, of which at least 70 remain in the brigade under the command of Colonel Salongo.

76. In April 2008, six Congolese boys, 16 and 17 years of age, escaped from PARECO and reported that they had left 15 other children behind. At least 20 Congolese children were reported as still being used by FDLR at Kiseguru, Kikuku and Bambu, Rutshuru territory, against Nkunda loyalists. Recent reports also confirmed the forced recruitment of children in Masisi and Rutshuru by RUD and FDLR forces in February 2008. A 15-year-old boy was recruited at Rwanwa by FDLR forces to carry goods pillaged during an armed attack and recruited again three days later by elements of PARECO.

77. Allegedly, the Mai-Mai group led by General Lafontaine also maintains children in its ranks. In particular, a group operating in Kanyabayonga under the command of Major Kamyamdo Kolo Faida consists of about 60 cadres, most of them below the age of 18.

78. The presence of children in the 85th FARDC brigade deployed in Walikale was confirmed during the demobilization in May 2008 of 30 children and the request to the local authorities made by Lieutenant Colonel Sammy Matumo to assist in the demobilization process of the children operating in his battalion.

79. Intimidation and harassment of child protection actors continues as does the re-recruitment of surrendered children. Reportedly, in May 2008 near Buramba, FDLR-FOCA elements kidnapped a number of children who were rejoining their families. In Nyamilima, Rutshuru territory, three surrendered Mai-Mai child cadres were killed because they had joined the disarmament, demobilization and reintegration process. In June, three children accused of desertion were also killed in Nyamilima by Mai-Mai elements. Earlier in March, 31 children were released after being detained since December in the Makala prison on accusations of anti-patriotic acts.

VIII. Human rights violations involving the targeting of children and women

80. Corroborating reports from MONUC and the NGO community indicate that, seven months following the signing of the Actes d'engagement, the general human rights situation in the eastern part of the Democratic Republic of the Congo has deteriorated in some areas of North Kivu. Human Rights Watch has documented the killing of some 200 civilians since January 2008. It is within this context that women and children were targeted. The United Nations and NGOs recorded hundreds of rapes of women and children and the killing of children.

81. According to these reports, human rights abuses were committed particularly in and around the Bukombo administrative area in western Rutshuru, where some 150 civilians were killed between February and May 2008 by PARECO and Mai-Mai Mongol combatants supported by FDLR personnel.

82. Another issue of concern to humanitarian agencies is the recent wave of displacement taking place in Rutshuru territory since February 2008, most of it caused by active fighting between CNDP and PARECO, as well as by the harassment and killing of civilians by CNDP combatants, such as the events that took place in Bambu in late January and in Mushango in April 2008. According to testimonies and field investigations, the fighters repeatedly raided villages for cattle, goats and other goods, raping women and girls and killing civilians who opposed their activities or whom they accused of collaborating with their enemies.

83. In the first quarter of 2008, the United Nations Human Rights Integrated Office in the Democratic Republic of the Congo documented 52 cases of sexual violence throughout the country, 14 per cent of which was perpetrated by armed groups. However, according to a humanitarian NGO, over 600 cases of rape were reported in the area of Nyanzale between April and June 2008 and during the month of June 2008 the Provincial Commission for the fight against sexual violence in

North Kivu received reports of 139 cases of sexual violence against children by civilians and armed individuals.

84. In July 2008, two girls were raped by FDLR elements in the town of Rutshuru.

85. In Bunyakiri, South Kivu, according to the data collected by a local NGO, 200 instances of sexual violence took place in the last two years.

86. Acts of sexual violence in southern Lubero territory are reportedly on the increase, based on information and analysis from within and outside MONUC. This stems from the increased number of clashes between PARECO, FDLR and FARDC in this area. Areas of particular concern include: Butalangola (7 kilometres south-west of Kanyabayonga, in Rutshuru territory) and Mbughavinywa (50 kilometres north-west of Kanyabayonga) where many rapes have been reported by local sources in recent days.

87. Since the killings of January 2008 in Kalonge (15 kilometres north-east of Masisi), a predominantly Hutu area under CNDP control since October 2007, CNDP soldiers reportedly killed 30 civilians, including a baby, a 14-year-old and a woman. The local CNDP commander in the area is known as Major Mahindule. According to testimonies collected by MONUC, the victims were displaced people targeted for having taken refuge in an area surrounding Kalonge and under the control of PARECO. According to the same testimonies, several other episodes of targeting of civilians took place during the same period and in the same area, which lends the Group to believe that the number of the victims may be higher than estimated.

IX. Natural resources and the financing of illegal armed groups

88. Pursuant to subparagraph 18 (d) of Security Council resolution 1807 (2008), and following the interest expressed by the Sanctions Committee in the issue of natural resources tracing, the Group has met with mining agencies in the Democratic Republic of the Congo and mineral exporting companies to raise awareness regarding the arms embargo.

89. The Government of Germany is currently developing a geological tracing system for minerals, which is based on recording geological samples from different mining areas in order to build a database that can identify the origin of any mineral through laboratory testing. The Group supports this initiative, although it is of the view that the system will be insufficient, on its own, to control the flow of illegally mined minerals, given that extensive sampling of each shipment may be necessary and that minerals from various mines — those occupied by FARDC as well as those controlled by illegal armed groups — are already mixed together in shipping.

90. In addition, in order for the tracing system to be effective, more information is needed on which cargoes may be supplied from illegal mining sites. This can only be achieved through an administrative tracing system based on identifying which mining sites are under the control of illegal armed groups, as well as the understanding of their export routes. Even then, however, as minerals are often mixed together before they reach major trading sites, it will be difficult to distinguish between "tainted" and "untainted" materials.

91. The Group appreciates the work of Congolese State institutions, which are attempting to deploy in areas where security permits. In particular, the Group has

been encouraged by some of the work of the Division des Mines, the provincial branch of the Government's Ministère des Mines, which has attempted to register local traders at the source, trace their export routes and maintain records of the final purchasers of some of the mineral cargoes. Other Congolese institutions such as the Centre d'evaluation, d'expertise et de la certification, the independent quality control division, and the Service d'assistance et d'encadrement du small-scale mining, the Government agency in charge of registering individual artisanal miners, have also produced useful records of local actors involved in the mineral trade and their export routes, even though this is not their primary task.

92. The Group is of the view that, while the extent of the physical presence and ability of the Government's agencies to enforce their authority remains limited, such initiatives represent a potential starting point for effective mapping. More coordination between agencies is needed, however, with a view to avoiding unnecessary duplication of responsibilities and in order to ensure consistent standards of data collection.

93. Ultimately, in order to prevent natural resources from funding illegal armed groups, properly reformed security forces must take control of all major mining sites. The Group therefore feels that mining should be included in the ongoing process of security sector reform and supported by the international community. The Group intends to discuss these issues with Congolese mining officials and international donors prior to reaching any firm conclusions.

94. In the interim, the Group has met with the association of mineral exporters in Goma, which represent all registered exporting companies. The Group was informed by the exporters that because they buy from licensed traders or middlemen, they cannot always determine the exact origin of the material used. The association has asked the Group for assistance in tracing the origin of minerals that are purchased. For its part, the Group has underlined the responsibility of *comptoirs* in establishing the source of their minerals and has agreed to assist them in this task. As a first step, the Group has asked the association of mineral exporters to provide certain information, which its membership has unanimously agreed to do. The Group suggests that failure to provide the following information should constitute an unwillingness on the part of mineral exporting companies to adequately address the problem of tracing:

(a) The full list of each traders that each exporter purchases from, identifying the traders by geographical zone;

(b) Figures over the last year of the amount of different minerals acquired from each trader and from which trading sites these traders are supplying minerals, by date of shipment;

(c) Method and dates of delivery of each cargo, whether by air or road, including airports of origin and road routes taken over the past year;

(d) Repeat the exercise for every liaison office operated by exporters in cities throughout the eastern part of the Democratic Republic of the Congo.

X. Aviation-related investigations

95. The Group of Experts understands that in accordance with Security Council resolution 1807 (2008) the Government of the Democratic Republic of the Congo is not obliged to declare any weapons deliveries to the Committee. At the same time, the resolution underlines the obligations of exporting countries to notify the Committee of the shipment of arms and the delivery of related materiel, in particular considering the FARDC weapons that have ended up in the hands of illegal armed groups.

96. The Group has been investigating two categories of flight paths that it deems relevant to its research into the transport of weapons. The first category concerns irregular flight paths of specific aviation companies that could have a link to the Democratic Republic of the Congo, including flights carrying weapons. As a result of these inquiries, the Group has identified three aviation companies, one of which has a history of arms embargo violations, as having flown to the Democratic Republic of the Congo in 2008.

97. The second category concerns flight paths highlighted in the report of the previous Group of Experts (S/2008/43). In particular, the Group has obtained further information regarding a flight from Khartoum to Kisangani, Democratic Republic of the Congo, on the night of 26 to 27 May 2008, which was alleged to be carrying weapons and, according to witnesses on the tarmac, was cordoned off by FARDC military personnel as it discharged. The Group notes previous investigations into flights of Azza Air Transport and its link to Khartoum, and intends to further investigate the matter. The Group is also following up its investigations into ICAR Air.

98. The Group has also obtained documents detailing a cargo of helicopter parts exported by Ukroboronservice (a Ukrainian State-run company) to the Democratic Republic of the Congo in October 2007. The Group understands this cargo transited through Zimbabwe before finally being delivered to Lumumbashi, Democratic Republic of the Congo. The Group is aware that Ukroboronservice was involved in a shipment of armoured personnel carriers, tanks and related ammunition into the port of Matadi in July 2006, about which the Government of Ukraine informed the Committee.

XI. Monitoring of targeted sanctions against listed individuals and entities

99. According to officials of the Government of the Democratic Republic of the Congo, FARDC, the diplomatic community and members of illegal armed groups:

(a) Bosco Ntaganda, listed by the Committee for being a member of an illegal armed group and for arms trafficking, continues to be chief of military operations of CNDP. In April 2008 the International Criminal Court unsealed an arrest warrant against him for having committed the war crimes of enlisting and conscripting children under the age of 15 and using them in active hostilities in Ituri;

(b) Frank Kakolele Bwambale, listed by the Committee for being a member of an illegal armed group and for arms trafficking, deserted CNDP in February 2008

and is currently in Kinshasa under Government surveillance. He informed the Group that he had travelled to Kinshasa from Masisi territory in North Kivu province by road, through Uganda and Kenya, and then by air from Nairobi to Kinshasa, in violation of the Security Council travel ban. This information was confirmed by CNDP officials in Goma. The Group has written to the Governments of Uganda and Kenya in this connection with a view to obtaining confirmation from their respective immigration authorities;

(c) Matthieu Ngudjolo, listed by the Committee for being a member of an illegal armed group and for arms trafficking, was arrested by the authorities of the Democratic Republic of the Congo in Kinshasa on 6 February 2008 following the issuance of an arrest warrant by the International Criminal Court and was subsequently transferred, on 7 February 2008, to await trial in The Hague;

(d) Jérôme Kakwavu Bukande, listed by the Committee for his involvement in arms trafficking and for being a commander of an illegal armed group, continues to serve in FARDC;

(e) Germain Katanga, listed by the Committee for being a member of an illegal armed group and for arms trafficking, has been detained by the International Criminal Court since October 2007;

(f) Panga Khawa Mandro, listed by the Committee for being a member of an illegal armed group and for arms trafficking, was arrested by the Congolese authorities in October 2005, acquitted by the Court of Appeal in Kisangani and was subsequently transferred to judicial authorities in Kinshasa pending an appeal of the sentence;

(g) Sylvestre Mudacumura, listed by the Committee for being a member of an illegal armed group and for arms trafficking, continues to serve as the military commander of FDLR-FOCA from his base in Kibua, Masisi territory;

(h) Ignace Murwanashyaka, listed by the Committee for being a member of an illegal armed group and for arms trafficking, currently resides in Germany and is still recognized by FDLR-FOCA as the President of the armed group's political branch. The Group has gathered information from demobilized FDLR combatants regarding his continued involvement in political and military decision-making within FDLR through frequent contact with field commanders;

(i) Straton Musoni, listed by the Committee for being a member of an illegal armed group and for arms trafficking, currently resides in Germany and is still recognized by FDLR-FOCA as the Vice-President of the armed group's political branch;

(j) Laurent Nkunda, listed by the Committee for being a member of an illegal armed group and for arms trafficking, continues to be the Chairman of CNDP and its overall commander;

(k) Butembo Airlines and the Great Lakes Business Company, listed for provision of assistance for illegal armed groups, no longer hold licences to operate aircraft in the Democratic Republic of the Congo. This fact notwithstanding, and although the Régie des voies aérienne of the Democratic Republic of the Congo grounded the company's fleet for technical reasons, a company aircraft (registration number 9Q-CMG) crashed at Goma airport on 26 May 2008, in violation of the measures imposed by the Sanctions Committee;

(l) CongoCom Trading House, listed by the Committee for violation of the arms embargo, has been disbanded following the death of its owner, Kisoni Kambale, in July 2007;

(m) Jules Mutebutsi, listed by the Committee for being a member of an illegal armed group and for arms trafficking, was arrested by the Government of Rwanda in December 2007 when he tried to cross the border into the Democratic Republic of the Congo. According to Rwandan authorities, he is currently "restrained";

(n) The Group intends to gather further information on the activities of Floribert Njabu, James Nyakuni, Ozia Mazio, Tous pour la paix et le developpement, Uganda Commercial Impex and Machanga Ltd. during the second part of its mandate.

XII. Observations

100. The Group of Experts has encountered contradictions between its mandate and the exigencies of the various peace processes in the Democratic Republic of the Congo. Several of the signatories of the Actes d'engagement, for example, have reportedly used the funds from the Amani programme to finance their armed groups and recruit new soldiers. Each armed group reportedly received $3,000 for sensitization purposes, while delegates in Amani's technical commission receive monthly stipends of $2,000. Government delegations have also been seen in public ceremonies handing over substantial sums of money to armed groups, such as the payment made to PARECO in Mbwavinywa on 24 January 2008, for food and medicine. These financial arrangements, which the Government perceives as an integral part of the peace process, in theory constitute a violation of the arms embargo. The Group is concerned that if sufficient safeguards are not put in place, this funding could be used for recruitment and weapons purchases.

101. Similar ambiguities have appeared in the context of the Nairobi agreement regarding the repatriation of foreign armed groups. At the meeting in Mbwavinywa on 24 January 2008, a Government delegation handed approximately $2,500 to RUD commander General Jean-Damascène Ndibabaje (alias Musare) for food and medicine. On several occasions businessmen with connections to Government officials have also supplied both RUD and PARECO with food.

102. FARDC remains one of the main suppliers of weapons and ammunition to armed groups in the region. Numerous sources, including FARDC, CNDP, FDLR and MONUC, have informed the Group of arms transfers from FARDC to illegal armed groups over the past year. The lack of accounting procedures for weapons, low salaries and other institutional weaknesses contribute to this problem. The capture of over 20 tons of arms by CNDP in Kikuku, Rutshuru territory, in December 2007 from the 15th FARDC brigade is one example. The Group has also received information from two separate sources within the Congolese Government regarding the theft of weapons and ammunition from Walungu, in June 2008, including a significant number of mortars, rocket-propelled grenades, machine guns and ammunition. The Group strongly recommends that greater accountability by the Government for arms storage be incorporated into security sector reform.

103. The Group has received numerous reports indicating that problems with the national demobilization process have allowed militia to re-recruit and rearm demobilized combatants. During the demobilization process, many weapons were hidden or retained by armed groups, allowing them to easily rearm new soldiers. In Numbi, Kalehe territory, local officials and FARDC officers informed the Group that PARECO had recruited many demobilized soldiers in that area. The Group received similar information about the Mai-Mai Kasindien in Kayna, Lubero territory. The Coordination nationale de desarmement et reintegration reportedly ran out of funds in September 2007 after making reintegration payments to demobilized combatants, but without being able to provide reintegration projects to half of them. A new structure, the Unite d'execution du programme national de desarmement, demobilization et reintegration, is due to be launched shortly.

104. With regard to customs, the Group believes that reforms are needed in both taxation and in the revenue-collecting bodies active along the borders. Prohibitive taxes and tariffs, combined with weak State institutions, have driven a large part of all trade, both inside and outside the Democratic Republic of the Congo, underground, generating large amounts of bribes for administrative officials at all border posts in the country. In Bunagana, the difference is that this corruption contributes directly to the financing of CNDP.

105. The Group recommends that customs posts be electronically linked and that the Government boost the structure of its *Office de gestion du fret maritime*, which registers customs declarations in Mombasa, Kenya, for goods being imported to or exported from the Democratic Republic of the Congo. The Group recommends the completion of dry ports in Bunagana as well as Ishasha and Kasindi, other important customs posts in North Kivu. The Group considers the presence of illegal armed groups in Bunagana as an important obstacle to the extension of Government administration in the eastern part of the Democratic Republic of the Congo.

106. The Group has also attempted to trace weapons handed over to MONUC during the disarmament process. Unfortunately, despite the hundreds of weapons that MONUC has collected over the past year, it has not yet established an arms database system with sufficient information for tracing. The Group is currently working with MONUC on such a database.

107. During its interactions with MONUC military units in the field, the Group noticed on several occasions that there was a low level of awareness among the contingents regarding their monitoring mandate with respect to the arms embargo (pursuant to Security Council resolutions 1756 (2007) and 1794 (2007)). There is currently little information gathered by MONUC contingents regarding arms supplies and cross-border movements of troops and weapons. The Group is working with MONUC to raise the awareness of these issues among the contingents.

108. The Group of Experts is also working with Member States to obtain documents regarding bank transfers, phone records and arms exports relevant to its mandate. The Group counts on the support of Member States in providing it with information requested, thereby enabling it to uphold high evidentiary standards in the fulfilment of its mandate.

Enclosure

Meetings and consultations

Belgium

Government

Ministère des affaires étrangères

Organizations

International Peace Information Service

Democratic Republic of the Congo

Government

Agence nationale de renseignement

Banque Centrale du Congo

Centre d'évaluation, expertise et de la certification

Ministère des affaires étrangères

Direction de l'aéronautique civile

Direction générale de migration

Forces armées de la République démocratique du Congo

Guarde Républicaine

Régie des voies aériennes

Office des douanes et accises

Police nationale congolais

Ministère des mines

Organizations

Human Rights Watch

Médecins sans frontières

Oxfam

Pole Institute

World Bank

United Nations entities

United Nations Organization Mission in the Democratic Republic of the Congo (MONUC)

Office for the Coordination of Humanitarian Affairs

Office of Internal Oversight Services

Office of the United Nations High Commissioner for Refugees

United Nations Children's Fund

United Nations Development Programme

World Food Programme

Diplomatic representations

Embassy of Belgium

Embassy of China

Embassy of France

Embassy of South Africa

Embassy of the United Kingdom of Great Britain and Northern Ireland

Embassy of the United States of America

European Union

Rwanda

Government

Office of the President

Ministry of Foreign Affairs

Directorate of External Security

Ministry of Internal Affairs

Rwandan Defence Force

Rwanda Demobilization and Reintegration Commission

United Nations entity

MONUC

Diplomatic representations

Embassy of Belgium

Embassy of the United Kingdom of Great Britain and Northern Ireland

United Nations Headquarters

Diplomatic representations to the United Nations

Permanent Mission of Belgium

Permanent Mission of the Democratic Republic of the Congo

Permanent Mission of France

Permanent Mission of Germany

United States Mission

United Nations entities

Department of Peacekeeping Operations

Department of Political Affairs

Ethics Office

Office of Internal Oversight Services

Office of Legal Affairs